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C O N F I D E N T I A L SEOUL 003550

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TAGS: KN KS PGOV PREL PINR

SUBJECT: KBS REPORTER: LEE MYUNG-BAK PRAGMATIC, SHY

Classified By: POL Joseph Y. Yun. Reasons 1.4 (b,d).

¶1. (C) Summary: KBS reporter Min Kyung-wook, Washington correspondent until June 2007, is currently producing a 30-minute documentary on Lee Myung-bak to air December 20 on the national TV station. Recently, Min shared his impressions after a full month researching Lee's life, meeting his old acquaintances and traveling several times to Lee's hometown of Pohang. Min came away with a very positive view of Lee and emphasized that Lee's impoverished background and hands-on business experience from an early age led to Lee's startling success at Hyundai, as Seoul Mayor, and as presidential candidate. End Summary.

Pohang Roots

¶2. (C) Senior KBS reporter Min Kyung-wook recently told poloff that he had been to Lee's boyhood home in Pohang, in the southeastern part of the Peninsula, as part of his research for a documentary on Lee and his life to air December 20 after the results of the presidential election -- which Lee will likely win -- have been finalized. Min said there were three teams producing documentaries on Lee Myung-bak, Chung Dong-young, and Lee Hoi-chang. Only the winning candidate's documentary would be aired, he said.

¶3. (C) Min said the house where Lee grew up was a Buddhist temple during the Japanese occupation (1910-1945) but was abandoned after the Japanese left. When Lee lived there, the former temple grounds housed up to ten families in a structure meant for just one family. After middle school, Lee's mother told him he could not attend regular high school since Lee's parents, struggling financially, could barely afford to send his smart, elder brother Lee Sang-deuk (now the Vice Speaker of the National Assembly) to school. Therefore, Lee worked during the day and attended Dongji Commercial High School at night. He paid his way through school by working various odd jobs such as selling snacks and delivering coal. According to people he met in Pohang and other long-time Lee acquaintances, Min said that Lee as a child was healthy, diligent and polite.

Hyundai

¶4. (C) After high school, Lee went to Seoul and studied to

pass the college entrance exam while working as a cleaner in a market in Yongsan. Lee attended the elite Korea University. Lee says in speeches that his tuition was paid by the merchants in the Yongsan market and used-book sellers near the Cheonggye Stream provided him with books. On graduating, Lee got a job at the then small (98 employees) Hyundai Construction company. According to those who worked at Hyundai with Lee, Min said that Lee caught the eye of Hyundai founder Chung Ju-young and impressed Chung with his hands-on ability and past work experience. He rose quickly through the ranks to become CEO at age 35.

Pragmatism

¶15. (C) Min said he felt Lee was pragmatic and he appears not to have indulged in many extravagances over the years. Min supposed that was due to Lee's poor upbringing.

Shy Guy

¶16. (C) Min said that several of Lee's closest aides and acquaintances told him that Lee Myung-bak was at heart a shy person and this explained why so many surrounding Lee were "his" guys. Overall, Lee simply felt more comfortable around people he knew. Currently among the campaign staff, there were many that worked for Lee when he was Seoul Mayor (2002-2006). Min said that at dinners, Lee was so shy he would not even give out small compliments to those close to him.

¶17. (C) Min said that those he interviewed admitted that Lee was quite a good drinker since it was important to drink to succeed in business in Korea. However, Lee was diligent and did not engage in "small talks" but rather was very direct in meetings and social settings. Min said he was surprised when he first met Lee in Washington at a press conference in 2006, because, unlike other politicians, Lee did not make eye contact or "talk up" the reporters before or after the press conference. Min said that when Lee's associates explained that Lee was shy, he felt it explained such behavior.

Personnel Management

¶18. (C) Lee Myung-bak clearly prefers an "able subordinate" to a "loyal subordinate" and Lee appears to be immune to cronyism, Min posited. Some of Lee's hometown friends and relatives expressed disappointment to Min that Lee had not accepted their personal requests even when he was at Hyundai. Some of his fellow Korea University alumni claimed that Lee Myung-bak did not have a single close friend and they could think of no one Lee had promoted due to any school or regional connection. Many told Min that Lee could not have succeeded (becoming chairman of several Hyundai affiliates in his 40s) if he had relied on cronyism.

¶19. (C) At Hyundai, despite Lee having no blood connection to the Hyundai founder, Lee had actually risen to the point where he managed Chung's eldest son, Min said. Min said he thought that Lee's success based on his ability would likely lead him to choose his cabinet and others in government based on ability and not proximity to or relationship with Lee. For example, there are many professors who claim to be Lee Myung-bak confidants and advisors, but many might not find positions in a Lee Myung-bak Blue House, Min speculated. Min admitted that "Bulldozer" Lee could bring in an "ends justify the means" spirit to government, hiring and firing would likely be based on ability.

Scandals

¶10. (C) Despite the many accusations surrounding Lee

Myung-bak -- that he was involved in a variety of financial and real estate improprieties -- Min said most people he met who knew Lee well claimed that Lee was a very "clean" person.

Lee has recently admitted to falsely employing his children and changing his address multiple times to ensure the best schooling for his kids. Min said he expected Lee would not feel any guilt about these past indiscretions since Lee might reason that it was better to pay fewer taxes and give your kids the best, and besides, he would likely think that, since all with money acted similarly, his actions were excusable. Because of Lee's attitude toward tax evasion and law-bending, Lee might have difficulty keeping discipline, law and order in his administration and in Korea, but since this election is about the economy rather than morality, Lee has been able to overcome these "moral deficiencies," according to the KBS reporter.

Lacking Core Vision

¶11. (C) Those close to Lee Myung-bak have told Min that Lee's greatest strength was his past experience as CEO of Hyundai Construction. To be CEO of such a large company, Lee had to have a core vision. Also, when Lee was Seoul Mayor, it was Lee's idea to revamp the bus transportation system and to unveil Cheonggye Stream. Min allowed that even a string of successful projects did not necessarily equal a core vision and said he was unsure if Lee had any vision for the economy beyond ideas for various construction projects like the cross-country canal. However, Min said that Lee might be similar to Kim Dae-jung, who, despite limited economic expertise, was able to guide Korea through the Asian economic crisis thanks to superior decision-making.

Religion

¶12. (C) Min said that Lee has been a devout Christian all his life. However, Lee did not have to highlight this -- many politicians do not divulge their religion -- but Min said that Lee was up front about his belief because it was his mother that started him on the path to Christianity.

Comment

¶13. (C) The documentary that Min is producing will be watched by 20-30 percent of the Korean people. It will be considered the authoritative piece on Lee, his life and background. Min has clearly been won over by Lee and his associates in the month he has been researching for this documentary. The KBS piece will, therefore, be quite favorable to Lee Myung-bak, perhaps not surprising for Korea's number one network, which belongs to the public sector.

VERSHBOW